

*Tom Overbury*  
APR 26 1996



Mar  
Ventures,  
Inc.

Real Estate & Technology

**MEMORANDUM**

TO: Tom Motherway  
Tom Overturf  
Mario Stavale

FROM: Allan W. Mackenzie

RE: **Meeting with Ken Kennedy regarding Harbor Gateway Center**

DATE: April 22, 1996

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I met with Ken Kennedy at the Information Center on April 18, 1996; he asked to be remembered to you.

Ken is chairman of Rudy Svorinich's Harbor/Watts Economic Development Corporation, which is currently in formation. He appears to have hooked up with Rudy Svorinich originally at the suggestion of the Mayor's office.

He stated that the goals for the EDC were to take a pro-active role in economic development, including acting as an entity to administer economic development funding, get involved in non-profit subsidized housing, and be a gatekeeper for all corporation development activities. However, as yet, the community lacks permanent staff or funding, and has not yet received its non-profit status (all of which I know from my experiences in equivalent groups are difficult to achieve).

Specifically with regard to the project, he appears to have a good understanding for the rationale, and moreover clearly understands the benefits of the Vestar plan versus the Hopkins plan. However, he has asked for some additional information, including a one page summary on the project, a comparison on the two retail centers, and the issues associated with a football stadium, all of which I will provide him.



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Ventures,  
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Real Estate & Technology

April 24, 1996

Mr. Ken Kennedy, Vice Chairman  
Capital Commercial Real Estate  
261 S. Figueroa Street, Suite 101  
Los Angeles, CA 90012

RE: Harbor Gateway Center (McDonnell Douglas Realty Company)

Dear Ken:

I greatly appreciate the time you took to meet with me last week to discuss this project.

As requested by you, I enclose a one page project description, and also a side-by-side comparison of the two retail projects.

You asked for me to enumerate key issues with regard to the possibility of building a stadium at this location. As mentioned, McDonnell Douglas is eager to address this alternative should Councilman Svorinich wish to analyze it, but is anxious to avoid doing anything which could adversely affect the timely development of the property, particularly if there are good reasons why a stadium might not be viable at this location. In this regard, general comments from those knowledgeable about the stadium search would suggest the following:

- (A) The Dodger Stadium site appears to be well ahead, as was documented in the LA Times on April 20, 1996.
- (B) With the exception of the Rockwell site, all the other potential locations have no issue with regard to land acquisition since they have existing facilities with expansion potential; based on 100 acres, approximately \$50,000,000 at a minimum would be required for land acquisition at the Harbor Gateway site, thus putting it at a considerable competitive disadvantage.
- (C) There are currently virtually no services such as hotels or retail available in the area, which would obviously be a negative from the NFL standpoint.
- (D) Many would prefer to have the stadium further inland, and therefore in the population epicenter.



Mr. Ken Kennedy  
RE: Harbor Gateway Center  
April 23, 1996  
Page Two

- (E) The direct job creation of a stadium is quite limited, since employment is generally part time and at the lower age of the wage scale; by comparison, 100 acres of business park could result in direct employment of at least 3,000 well paid and full time jobs.
- (F) The configuration of the LA City strip in this area means that even if indirect benefits were to spin off the site, many of these benefits would accrue to surrounding communities.
- (G) Concern has been expressed about the proximity of this site to Mobil, which is one mile upwind. Quite often this major refinery produces a somewhat unpleasant smell (and very occasionally much worse), and the comment has been made that it would not be good for Los Angeles' image to have an NFL stadium potentially subject to such odors.

Please let me know any other thoughts you might have.

Yours very truly,

MAR/VENTURES, INC.

Allan W. Mackenzie  
President

cc: Tom Overturf  
Mario Stavale

McDONNELL DOUGLAS PROPERTY  
HARBOR GATEWAY, LOS ANGELES  
"HARBOR GATEWAY CENTER"  
APRIL 1996

Project Location

- 170 acres bounded by 190th Street (N), Normandie Avenue (E), and Western Avenue (W).
- San Diego Freeway across 190th Street to north (off ramps at Normandie and Western Avenue).
- Harbor Freeway one mile to east.

Previous Use

- 2.4M square feet of aerospace assembly manufacturing space discontinued in 1992, now utilized for warehousing.

Proposed Uses

- 450,000 square feet of retail (developer Vestar Development Company).
- Retail includes up to a 4,000 seat theater, approximately 30,000 square feet of restaurant space.
- 2,517,700 square feet of high quality office/industrial park, comparable to areas such as Irvine Spectrum.

Schedule

- |  |            |
|--|------------|
| • City Submittal:                      | March 1996 |
| • First Database Submittal:            | May 1996   |
| • Commencement of Retail Construction: | Late 1997  |
| • Completion of Retail:                | 1998       |
| • Full Build-Out:                      | 2006       |

Fiscal Impact

- |                                 |               |
|---------------------------------|---------------|
| • Value upon build-out:         | \$300,000,000 |
| • Annual fiscal impact to City: | \$ 2,795,000  |
| • PV over 10 years:             | \$220,000,000 |
| • Direct employment impact:     | 5,000+ jobs   |

Economic Justification

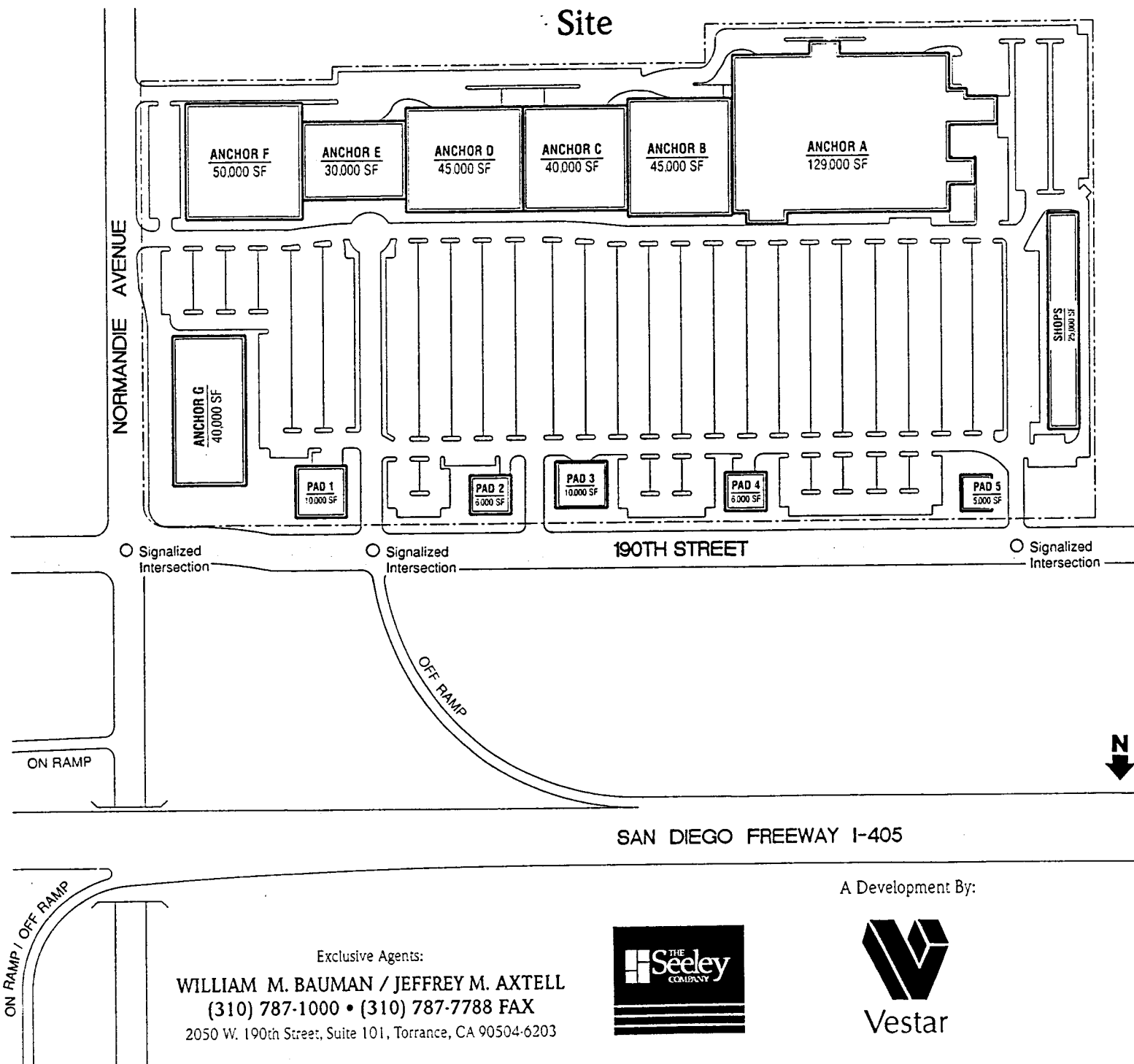
- Site represents one of L.A.'s last parcels of developable land.
- Need for high quality industrial land in L.A. cited by numerous studies (New Economy Project, LAEDC, etc.)
- South Bay has largest base of technology employment in Los Angeles, and largest number of emerging technology companies.
- Site will offer only master planned business park in area for larger uses, who would otherwise move to areas such as Orange County.

Project Team

- |                            |   |                                  |
|----------------------------|---|----------------------------------|
| • Owner:                   | McDonnell Douglas Realty Company<br>4060 Lakewood Blvd., 6th Floor<br>Lakewood, CA 90808<br>Tom Overturf<br>Mario Stavale | (310) 627-3080<br>(310) 625-3014 |
| • Civil Engineer:          | Tait Associates - Greg Stewart  | (714) 560-8200                   |
| • Environmental:           | PCR Associates - Greg Broughton   | (310) 451-4488                   |
| • Traffic Engineer:        | Crain Associates - Sam Ross   | (310) 473-6508                   |
| • Legal:                   | Latham & Watkins - Lucinda Starrett   | (213) 485-1234                   |
| • Development Coordinator: | Mar Ventures, Inc. - Allan Mackenzie  | (310) 782-2525                   |

**190TH STREET RETAIL SITE COMPARISON**  
**April 24, 1996**

|                                      |  |                                 |
|--------------------------------------|--|---------------------------------|
| NAME:                                | Harbor Gateway Center  | N/A                             |
| OWNER:                               | McDonnell Douglas Realty Co.   | Lockheed Martin Corp.           |
| TOTAL SIZE:                          | 171 acres  | 67 acres                        |
| TOTAL PROPERTY<br>SQUARE FOOTAGE:    | 2,967,700 square feet  | 807,000 square feet             |
| OVERALL FAR:                         | .40  | .28                             |
| RETAIL SQUARE<br>FOOTAGE:            | 450,000 square feet  | 817,000 square feet             |
| RETAIL DEVELOPER:                    | Vestar Development Co.<br>(39th largest retail shopping<br>center owner in U.S.; owner<br>of Cerritos Town Center, etc.) | Hopkins Development Co.         |
| RETAIL PLAN:                         | (see attached)   | (see attached)                  |
| RETAIL ORIENTATION:                  | To 190th St. and San Diego Frwy.   | To Western Ave. and<br>interior |
| BALANCE OF SITE USE:                 | Industrial Park  | N/A                             |
| TRAFFIC REPORT<br>SUBMITTED TO CITY: | Estimated Feb./March 1996  | April 1996                      |
| 1ST DATABASE<br>RECEIVED BY CITY:    | March 8, 1996  | May 24, 1996 (est.)             |



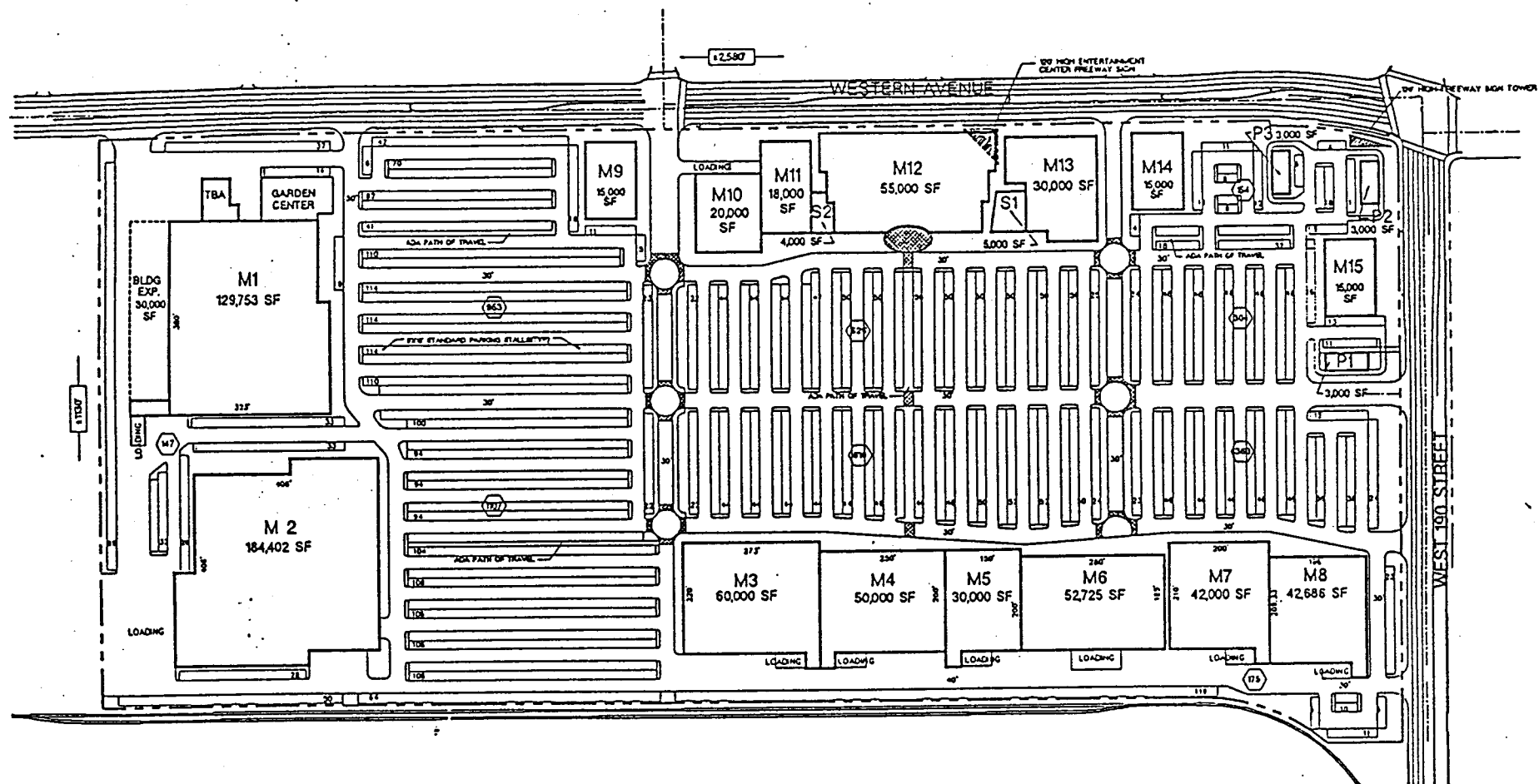
Exclusive Agents:  
**WILLIAM M. BAUMAN / JEFFREY M. AXTELL**  
 (310) 787-1000 • (310) 787-7788 FAX  
 2050 W. 190th Street, Suite 101, Torrance, CA 90504-6203



A Development By:



The information contained herein has been obtained from sources we deem reliable. While we have no reason to doubt its accuracy, we do not guarantee it.



## SUMMARY

- AND AREA • 2,934,507 SF (67.36 AC)
- BUILDING AREA • 807,566 SF\*
- LAND/BUILDING RATIO • 2.63/1 (27.5%)
- PARKING PROVIDED • 4,439 STALLS
- PARKING RATIO • 5.49/1000

\*INCLUDES 30,000 SF EXPANSION AREA OF M1

## VICINITY MAP •

## CLIENT •

LOCKHEED MARTIN CORPORATION  
6801 Rockledge Drive  
Bethesda, Maryland 20817  
Telephone (301) 897-6823

## COMMERCIAL PROJECT •

SEC WESTERN AVE. & WEST 190 TH ST.  
LOS ANGELES, CA

# SITE PLAN

THIS PLAN HAS BEEN PREPARED WITHOUT KNOWLEDGE OF A COMPLETE SURVEY. IT IS CONCEPTUAL IN NATURE AND NO GUARANTEE OF ITS ACCURACY IS IMPLIED.

SCALE: 1" = 100'



## SCHEME "D"

5/12/95 M  
94-128

Musil Perkowitz Ruth, Inc.

Architecture  
Planning

1011 S. Western Ave.  
Suite 1000, Los Angeles, CA 90006